HUMAN RESOURECE MANAGEMENT
2019 ADMISSION

Prepared by

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Core Course
BACHELOR OF BUSINESS ADMINISTRATION
BBA5B07 HUMAN RESOURCES MANAGEMENT
Time: 4 Hours per week Credits: 4
Internal 20: External 80
Objectives:
To give a conceptual understanding of human resource practices in organizations.

Learning Outcome : On completing the course students will be able to :
1. Develop insights on various concepts and Functions of Human Resource Management
2. Learn the latest trends in Human Resource Management.

Module I : Introduction to Human Resource Management: Meaning, definition, importance, scope and objectives of HRM; Evolution and development of HRM; Approaches to HRM- Personal management Vs Human Resource Management; HRM and competitive advantage. HR department-organizational composition, role, functions 12 Hours.

Module II : Procurement of HR: Meaning and Importance of HR planning ; Job analysis---process of job analysis, job description, job specification, methods of job analysis; Conventional Vs strategic planning; Recruitment – concept, sources ; Selection – concept , Difference between recruitment and selection, process- test, interview, placement, induction and socialization; retention. 12 Hours.

Module III : Training and Development: Concepts; importance; Training and development methods – Apprenticeship, understudy, job rotation, vestibule training, case study, role playing, sensitivity training, In-basket, management games, conferences and seminars, coaching and mentoring; Management Development Programs; Training process outsourcing. 14 Hours.

Module IV : Performance Appraisal, and Compensation: Performance appraisal -need and Importance, objectives, process and methods. Compensation- Objective, Principles, classification, factors Influencing Employee Compensation. 12 Hours.

Module V : Overview of HRM Trends and Challenges: Strategic HRM, Electronic HRM, Green HRM, Human Resource Information System, HR Audit, workforce diversity, downsizing, work life balance, Labour localisation. 14 Hours

ReferenceBooks:
1.Dessler, Human Resource Management, Prentice Hall of India.
2. D.A.DeCenzo and S. P. Robbins,S.L Verhulust, Human Resource Management, Wiley.
3. GrayDesler,BijuVarkkey, Human Resource Management,Pearson Education.
4. K.Aswathappa,Human Resource Management Text and Cases, McGraw Hill Education.
5. VSP Rao, Human Resource Management, Excel Books.
6.Khanka , Human Resource Management, S.Chand
7 P.R.N. Sinha, S.P. Shekhar, et al., Human Resource Management, S.Chand
8 Raymond Noe;John R. Hollenbeck;Barry Gerhart;Patrick M. Wright,Fundamentals of Human Resource Management, McGraw Hill

MODULE 1

HUMAN RESOURCE MANAGEMENT

Introduction

- HRM is one of the most important element of functional management
- HRM involves a range of ideas and practices in managing human resources
- An organization utilizes human resources along with the technological, financial, physical and other resources.
- The success of an organization depends upon the usage of the ability of its human resources.
- HRM is concerned with the application of human resources dimension of organizations.
- Competent personnel are to be selected and appointed at right place at right time.
- HRM has a significant role to play in the overall development of an organisation.
- HRM is a management function that helps managers to recruit, select, train and develop members of an organization.

Meaning and definition

- It is concerned with all types of human resources working in an organization directly or indirectly.
- It is the latest term used to denote personnel management
- Edwin Flippo defines- Human Resource Management as "planning, organizing, directing, controlling of procurement, development, compensation, integration, maintenance and separation of human resources to the end that individual, organizational and social objectives are achieved."

Features of HRM

- Management function
- Comprehensive function
- Individual consideration
- Action oriented
- Continuous function
- Development of human resources
- Pervasive in nature
- Achievement of objectives
- Human behaviour
- New discipline

Scope of HRM

- Human resource planning
- Job analysis and design
- Recruitment and selection
- Orientation and placement
- Training and development
- Performance appraisal and job evaluation
- Employee and executive remuneration
- Motivation
- Communication

- Human welfare
- Health and safety
- Industrial relations

Importance of HRM

- Importance concerned with individual organisation
- Professional importance
- Social importance
- National importance

Objectives of HRM

I. General objectives

- Optimum individual development
- Creation of good human relationship
- Moulding of human resources to achieve maximum production

II Specific objectives

- Selection of right type of individual for the right job
- Provision for training facilities
- Provision of orientation to new employees
- Provision of better working conditions and facilities
- Provision for fair wages, good salary administration and other incentives
- Provision for retirement benefit
- Maintain good relation with trade union
- Materials and mental satisfaction of employees

Functions of HRM

I .Managerial functions

- Planning
- Organising
- Directing
- Co-ordination
- Controlling
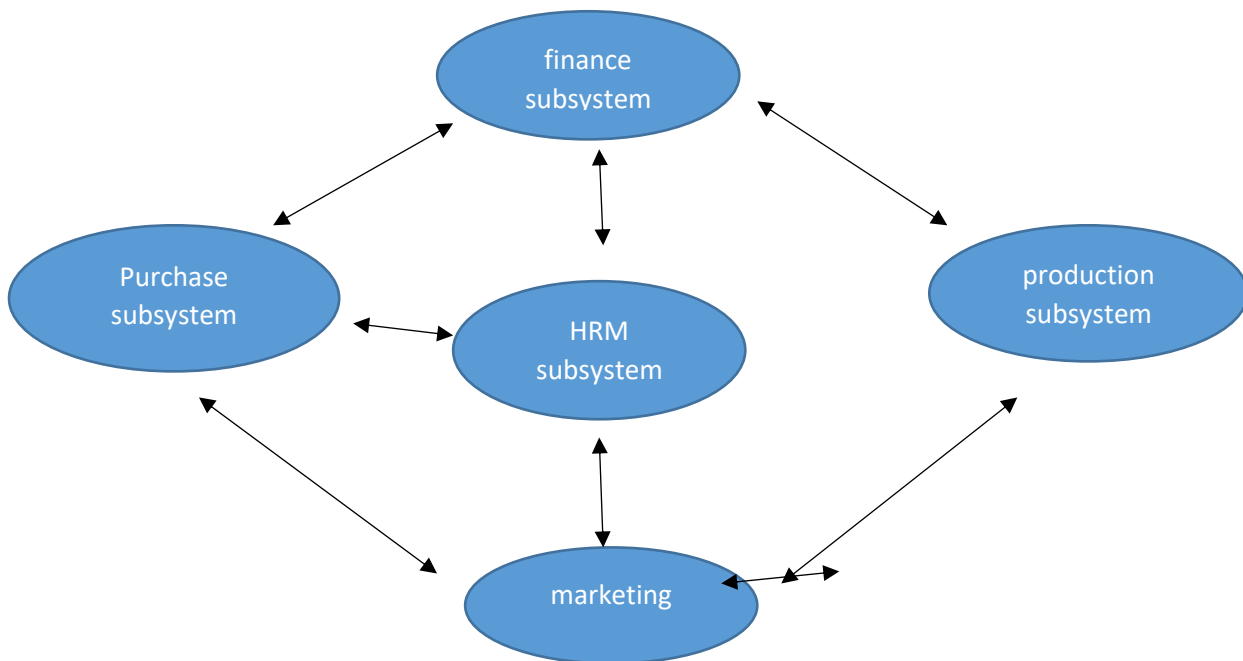
II. Operative functions

- Procurement
- Training and development
- Compensation
- Integration
- Maintenance
- Welfare activities
- Personnel records
- Promotion, transfer and termination
- Negotiation with trade unions
- Miscellaneous functions

Evolution of HRM

a) Period before industrial revolution
b) Period of industrial revolution
c) Post industrial revolution
d) Scientific management
e) Hawthorne studies
f) Human relations movement
g) Theory x and theory y
h) Human capital management

Approaches to HRM

- System approach

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                    finance
                   subsystem

  Purchase                              production
 subsystem         HRM                  subsystem
                subsystem

                   marketing
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- Classical approach (Michigan approach)
- The Harvard approach

Personnel management v/s human resource management

- Personnel management is related with the management of manpower
- It is concerned with the management of personnel at work and their interpersonal relations
- According to French Wendell " personnel management is the recruitment, selection, development, utilisation of an accommodation to human resources by organisation"
- Characteristics
  - Management of human resources
  - Concerned with employees
  - Continuous nature
  - Formulation of personnel policies
  - Goal oriented
  - Creation of congenial atmosphere
  - Ensures social economic and individual satisfaction

- ➤ Scope of personnel management
  - Employment of professional
  - Development
  - Setting up of promotion strategy and policy
  - Job analysis and job description
  - Merit rating
  - Job evaluation
  - Compensation
  - Welfare personal record
  - Labour management relations
- ➤ Similarities between personnel Mgt and HRM
  - Both models emphasize the importance of integrating personnel
  - Both model are vested with the management
  - Both concepts gives importance to individuals, their development, remuneration, and motivation to achieve organisational goals
  - Both gives emphasize on appointing right person at right position at right time

- ➤ <u>Difference between Personnel Mgt and HRM</u>

HRM	Personnel Mgt
Gives emphasize to employee development and development of management team	It largely aimed at non-managers
HRM emerged by late 70's	It precedes HRM
HRM treat people as an asset to be used for the benefit of an organisation	It treats labour as a tool which is expendable and replaceable
Job categories are few in HRM	Job categories and grades are many
Speed of decision making is high	Speed of decision making is low
It treated as a part of strategic management of an organisation	It is treated as a routine activity meant for hiring new employees and maintain personnel records

<u>HRM and competitive management</u>

- Competitive advantage in HRM refers to the quality of the employees who cannot be copied, unlike company's systems and processes.
- It comes down to the fact that companies with better employees have the competitive advantage.
- ➤ HRM is important as it helps in creating strong competitive advantage through their personnel management policies
- ➤ Productivity and employee happiness is an advantage that often results in superior customer service, which helps drive sales

<u>Traditional HR Management v/s strategic HR Management</u>

- ➤ Traditional HR Management
  - In a traditional HR management role, the HR professional is reactively working.
  - They do not educate workers about responsibilities or how their work will be done.
  - They assume their managers will go over their work and that the employee will pick up the training while on the job.
  - They are working to solve employee problems, manage labour relations, and keep their employees happy.

- Strategic HR management
  - Strategic human resource management (SHRM) has a broader approach.
  - A strategic HR manager is focused on forming a long-term strategy.
  - When they are looking to hire for a position, they are considering future growth projections and goals of the company.
- While traditional HR managers work reactively, strategic HR managers work proactively.

E-HRM

- E-HRM is the integration of all HR systems and activities using the web based technologies.
- When HR uses the internet or related technologies to support their activities, procedures, processes, then it becomes an e-HRM
- E-HRM is the application of information technology for both networking and supporting at least two individual or collective actors in their shared performing of HR activities.
- e-HRM is not same as HRIS (human resource information system) which refers to ICT systems used within HR departments.
- The main goals of e-HRM are as followed:
  - Improving the strategic orientation of HRM.
  - Cost reduction/efficiency gains.
  - Client service improvements/ facilitating management and employees.

Operational e-HRM

- This type of HRM includes the basic activities in the department which can be named as administrative tasks such as capturing of personnel data, keeping records, payroll, company policies and procedures and so on.

Relational e-HRM

- Activities which require direct and two-way relationship among HR professionals and internal or external sources can be classified in this type of HRM
- examples: e-recruitment, e-learning, performance appraisal and so on

Transformational e-HRM

- This is the highest-level and most complex type of activities which has nothing to do with HRM routines and transactions.
- Transformational e-HRM is concerned with strategic HR activities such as knowledge management, strategic re-orientation

MODULE 2

HUMAN RESOURCE PLANNING

Human resource planning

- It is the systematic and continuing process of analysing an organization's workforce needs.
- It cover the personal policies and many aspects of managing people

Procurement

- It means acquiring adequate number of employees for performing various tasks.
- Determination of the kind or quality of personnel
- Determination of quantity of personnel required
- Recruitment and selection

Job analysis

- The detailed and systematic study of jobs to know the nature and characteristics of the people to be employed in different kind of jobs.
- According to Edwin B Flippo " job analysis is the process of studying and collecting information relating to the operation and responsibilities of a specific job"
- ➢ The information to be collected:
  - Job tittle
  - Alternative tittle if any
  - Nature of work.
  - Equipment, tools, and materials used
  - Relationship of one job with another
  - Education required
  - Experience required
  - Physical and mental effort required
  - Responsibility
  - Supervision required
  - Any other details.
- ➢ Job analysis process
  - 1) Collection of actual information
    - a) Job information
    - b) Quality of personnel
    - c) Skill needed to perform the job
    - d) Personality factors
    - e) Experience
    - f) Professional, technical qualification
    - g) Muscular energy and hours of work required
  - 2) Preparation of the job description
  - 3) Preparation of the job specification
  - 4) Report preparation
  - 5) Approval of the report
- ➢ Uses/ significance of job analysis
  - Provides complete knowledge about jobs
  - First step in the selection technique process
  - Gives a complete picture about the job

- Useful tool for job evaluation
- Useful to develop appropriate job design
- Determines the levels of standard of job performance
- Useful to job comparison
- Useful to job appraisal
- Minimise risk
- Useful to fix standards

➢ Methods used in job analysis
- Questionnaire
- Check list
- Interview
- Observation
- Participation
- Technical conference
- Diary
- Records

Job description

- It is a descriptive statement defining the purpose and scope of a job.
- It describes a job in terms of its title, location, duties, responsibilities and relationship with other job.

➢ Contents of job description
- Job location
- Name of the job
- Summary of a job
- Duties and responsibilities
- Degree of supervision
- Details of equipment, material, and tools used
- Relation with other jobs
- A brief description of the overall purpose of the job
- Special qualification of job, mental, physical experience
- Physical conditions

➢Characteristics of job description
- Should have proper tittle
- Must be up to date
- Duties, responsibilities specifically mentioned
- Should be descriptive
- Job specification is to be indicated
- Easily understandable
- Constitution of each job is given
- Each employee should know the contents
- Qualification needed also written

Job specification

- It is a statement showing maximum acceptable human qualities necessary to perform a job.
- A written record of physical, mental, social, psychological and behavioural characteristics which a person possess to perform a job.
- Edwin B Flippo defines " a job specification is a statement of minimum acceptable human qualities necessary to perform a job properly"

➢ Contents of job specification
  - Physical characteristics
  - Psychological features
  - Qualification

➢ Difference between job specification and job description

Job description	Job specification
Summary of duties, responsibilities, and other characteristics of a job	Statement of qualities possessed by a person to do a job
Preparation is difficult	Easy preparation
Helps Mgt. In selecting right personnel	Helps candidate to understand the requirements of the job.

Job design

- The process of deciding on the contents of the job in terms of its duties and responsibilities
- The specification of task.
- The specification of methods to be used to perform each task
- The combination of task into a specific job and this job is assigned to each individual

➢ Factors affecting
  1) Organisational f actors
     a) Task features
        - Planning
        - Execution
        - Controlling
     b) Flow of works
     c) Ergonomics
     d) Work practices
  2) Environmental factors
     - Availability and abilities of workers
     - Cultural and social expectations
  3) Behavioural factors

➢ Methods of job design
  1) Job rotation
     Shifting of an employee rom one job to another without any change in the nature of job.an employee learn different types of job
  2) Job simplification
     A given job is broken down in small sub parts and each part is assigned to each individual
  3) Job enlargement
     More task or duties are added in a job for widening the scope of the job.
  4) Job enrichment

Job is designed in such a way that provides workers greater freedom for planning and controlling his performance

➢ Difference between job enrichment and job enlargement

Job enrichment	Job enlargement
Process of providing freedom to workers for performing job.	Process of increasing the scope of a job
Vertical loading of the job	Horizontal loading of the job
Employees get greater freedom and responsibility for performing the job	Employees are given more work at same level of responsibility
It may not be resisted by employees	It is usually resisted by employees
It adds status to one's job	It doesn't add status to one's job

Man power planning or human resource planning

- Concerned with determination of quantity of personnel required in an organisation
- The process of forecasting an organisations future demand and supply of the right people in the right number
- In the words of Bruce. P. Colemn, " man power planning is a process of determining man power requirement and the means of meeting these requirements in order to carry out the integrated plan of the organisation"

➢ Features

- It is related with future man power requirements of the organisation
- It involves forecast of the manpower needs in the future time period.
- Proper recruitment and selection procedure can be developed
- Ensure optimum utilisation of existing man power
- Ensure right type of the right people at right place at the right time
- It gives emphasis on better working conditions.
- It relates to establishment of job specification and qualitative requirements of job
- Continuous process
- May be long term or short term

➢ Need and importance

- Expansion of plant
- Retirement vacancies
- Reduction in labour turn over
- Reduction labour cost
- Uninterrupted production
- To maintain good and effective employee-employer relationship
- To introduce fresh blood in the organisation
- To determine shortage or surplus staff

➢ Objectives

- Accurate assessment of manpower requirement
- Optimum utilisation of human resources
- Inventorying in recruitment, selection and training
- To avoid interruption in production
- To assess the surplus and shortages of human resources
- To meet the needs of expansion and diversification programmes

➢ Types of man power planning

1) Short term man power planning

- Covers period of 1 to two years
- Concerned with adjusting the existing number of employees with their present jobs

a) When employees are less qualified in comparison with job specification

- Proper training should be provided to employees to meet the requirements of job
- If employees doesn't like the existing job, he should be changed from that job and new job may be given
- Transfer must be given to employees to adjust with the available jobs
- Assistance can be provided to help in the case of responsible job

b) Highly qualified persons in comparison with job specification.

- Job enlargement should be done
- Change job and assign new job that suit to ability and capabilities
- Promoted to higher vacancy
- Assign additional duties
- Seek advice of capable man

2) Long term man power planning

- Projection of man power requirements
- Stock taking of existing personnel in the organisation
- Recruitment and selection
- Man power development and planning

Pre –requisites of HR planning

- Objectives of the organisation
- Economic condition
- Expansion programmes
- Labour turnover rate
- Registration, retirement etc.
- Existing manpower
- Fixation of planning period
- Manpower standards

Process of HRP

1) Preparation of manpower inventory
2) Forecasting manpower needs
3) Preparation of manpower charts
4) Preparation of manpower plans
5) Employment program

Manpower forecasting

Process of estimating the future quantity and quality of people required on the basis of corporate and functional plans and future activity levels

Manpower forecasting techniques

1) Managerial judgment
2) Ratio-trend analysis
3) Work study methods

4)Mathematical models

Limitations of HRP

- Inaccuracy
- Resistance of employees
- Constraints
- Inefficient human resource information system
- Non-involvement of top level managers
- Time consuming process

Conventional VS strategic HRP

Strategic human resource planning is the process in which top management determines an organization's overall purpose and objectives.

Strategic planning steps:

- Mission determination
- Environmental assessment
- Objective setting
- Strategy setting

JOB EVALUATION

According to Edwin B Flippo "job evaluation is a systematic and orderly process of measuring the worth of job in relation to other jobs"

Objectives

- To help in fixing wage rates
- To simplify the negotiation between labour union and management
- To help the management in selecting candidates
- To fix same wage for same level of work
- Helps to minimize wage discrimination on the basis of age, sex…

Procedure or techniques of job evaluation

1)Acceptance by all
2) Formation of job evaluation committee
3)Selection of jobs for evaluation
4)Job description
5)Job grading
6) Selection of job evaluation methods
7) Consideration of job factors
8) Job pricing
9) Review

Methods of job evaluation

- ➢ Qualitative methods
- Ranking method/job comparison method
- Steps:
    1) Preparation of job description

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2) Key job and its rating
3) Rating for other jobs
4) Job classification or grading

- Job grading/job classification method
- Quantitative methods
- Point system
- Factor comparison

Advantages

- Bring uniformity
- Keep down cost
- Reduce favouritism
- Eliminate inequalities in wage structure
- Review job rates

Limitations

- Lack of scientific precision
- No standard list
- Doesn't consider nature of job
- Inflexible in wages
- Time consuming

Recruitment

According to Edwin B Flippo "Recruitment is the process of searching the prospective employees and stimulating them to apply for jobs in organisation"

Factors affecting recruitment

a) Internal factors
- Recruitment policy
- Size of the organization
- Recruitment cost
- Growth and expansion
- Human resource plan

b) External factors
- Demand and supply of skilled labours
- Unemployment problem
- Govt. Policy
- Labour market
- Sons of the soil
- Organisation image
- Labour registration

Recruitment process

- Recruitment planning
- Development of strategy
- Searching
- Screening

- Evaluating the effectiveness of recruitment process

Methods of recruitment

a) Direct methods
  - Scouting
  - Employee contact
  - Manned exhibits
  - Waiting list
b) Indirect methods
c) Third party method

Sources of recruitment

a) Internal sources
  - Transfers
  - Promotions
  - Demotion
b) External sources
  - Notice at factory gate
  - Unsolicited applications
  - Casual callers
  - Advertisement
  - Employment exchange
  - Colleges, institutions, and universities
  - Labour contactors
  - Private agencies
  - Trade unions
  - Recommendation of the existing employee
  - Leasing

Modern techniques used for recruitment

- Knowledge based recruitment method
- E- recruitment/ online recruitment method
- Out sourcing
- Poaching/ raiding

Concepts in modern recruitment methods

- Re- recruitment
- Scouting
- Networking
- Event recruitment
- EOS
- Cast a wider network

Other recruitment methods

- Campus recruitment
- Walk in

- Consult in
- Body shopping

Modern recruitment practices

- Sending of SMS
- Video/visual networks
- Blogging on social networking sites
- Advertisement through public address system
- Mobile recruitment

MODULE 3

SELECTION AND PLACEMENT OF EMPLOYEES

Selection

- It is the process of choosing the most suitable persons from all the applicants
- It starts immediately after recruitment
- It is the process of elimination
- It involves picking a group of workers from a total group of workers who has applied for job.
- According to Dale Yoder "selection is the process in which candidates for employment are divided into two classes those who are to be offered employment and those who are not"

➢ Steps used for selecting candidates

1) Receipt and scrutiny of application
2) Preliminary interview
3) Blank application form
4) Tests
   - Intelligence test
     - I. Intelligent quotient (IQ)
     - II. Emotional quotient (EQ)
       - a. Self-awareness
       - b. Self-management
       - c. Social skill
       - d. Social awareness
     - III. Trade test
     - IV. Aptitude test
     - V. Interest test
     - VI. Personality test
   - ➢ Criteria for selecting tests
     - Reliability
     - Validity
     - Objectivity
     - Standardisation
5) Interviews
   - ➢ Types of employment interview
     - Formal interview
     - Informal interview
     - Patterned interview
     - Non directive interview
     - Depth interview
     - Stress interview
     - Group interview
     - Board interview
     - Walk in interview
     - Campus interview
     - Exit interview

- ➢ Interview process
  1) Preparation for the interview
  2) Settings
  3) Conducting interview
- ➢ Demerits of interview
  - Personal bias
  - Hallo effect
  - Inability to judge
  - Expectation of same qualification
  - Leniency
  - Error in rating
6) Checking references
7) Approval of the supervisor
8) Medical examination
9) Final selection
10) Placement

- ➢ Difference between section and placement

Selection	Placement
Is Related with a decision to accept or reject application on the basis of candidate's performance.	Is related with a decision to place a selected individual in one job than other
The task is to match people with position	Task is to match position with the people
Effectively done where numbers of applicants are relatively large.	Effectively done where the numbers of available jobs is large relative to the number of selected persons.

11) Induction and orientation
  - ➢ Objectives of induction
    - To familiarise the new employees with the new surroundings, rules and regulations of the organisation
    - To create a sense of belonging to the organisation among new employees
    - To build self confidence
    - To help the newcomer to overcome shyness and fear
    - To create a close relationship between existing employees and new ones
    - To provide information about the location of cafeteria, toilets, rest rooms etc.
  - ➢ Classification of induction programmes
    1. Induction done by personal management
    2. Induction done by supervisors

Internal mobility of human resources or job changes

- Flexibility in the human resource deployment is necessary according to the changing labour requirements of the organisation
- Job changes involves transfers, promotions, retirements, etc. It is done to meet the following purposes;
  - ➢ To improve effectiveness of the organization

- ➢ To maximize the efficiency of the employees
- ➢ To deal with the changes in operations
- ➢ To ensure discipline

Transfer

- It is a relocation of an employee to the same class in a different department or job site or to a related classification within the same salary range.
- It is a lateral movement of employee
- It doesn't involve promotion or demotion
- It involves shifting of persons from one job to another or from one place to another without any change in status, position, emoluments, responsibility, and authorities
- ➢ Objectives of transfer
  - To meet the request of the employee
  - To utilize the service of the employee in another section of the organization
  - To provide training to employees in new technology
  - To provide new avenues to deserving employees
  - To adjust the workforce with one plant to another
  - To meet the organisational needs
  - To satisfy the needs of the employees
  - To punish employees

Types of transfers

- Production transfer
- Replacement transfers
- Versatility transfer or rotation of transfers
- Shift transfers
- Remedial transfers

Promotions

- According to Edwin B Flippo, "a promotion involves a change from one job to another that is better in terms of status and responsibilities". It involves;
- Shifting an employee to a higher position
- Gets more salary
- Acquires more status and prestige
- Gets more authority and responsibility

Demotion

- The reverse of promotion
- Can be defined as downgrading an employee by reducing his salary, decrease his responsibility and authority and status

Transfer policy

- Transfer policy must be prepared in such a way that it can easily followed by every individual in the organisation
- It should be specifically and clearly mention under what circumstances an employee is transferred

- Specify the field of transfer policy
- Full information with regard to scale of pay, seniority of transfer, guidelines etc. Should be clearly mentioned.

Promotion policy-features

- Should be prepared in such a way that it is easily understandable to everyone in the organisation
- It should mention the number of posts to be filled up through promotion
- It should clearly state the basis of promotion
- There must be direct link between promotion and training programmes
- Scientific methods should be followed to promote an employee
- Promotion must be given on a probationary basis initially
- Must be prepared in advance
- It should be recommended by superior and final decision should be taken by top level management
- The promotion policy must provide provision for appeal against unjustifiable promotion
- Vacancy should be notified among employees

Separation

- It is a situation when the service agreement of an employee with his/her organisation comes to an end and employee leaves the organisation.
- It is a decision that the individual and organisation part from each other.
- An employee may be separated as consequences of resignation, removal, death, permanent incapacity, discharge or retirement
- Employee can also be separated due to the termination of an employment contract or as part of downsizing of the work force
- It is a negative recruitment
- Types of separation
    1) Retirement:- termination of service of an employee on reaching the age of superannuation
        - Compulsory retirement
        - Voluntary retirement
    2) Resignation
        - It is the termination of service by an employee by serving a notice called 'resignation' on the employer
        - It may be voluntary or involuntary
        - A voluntary resignation is when an employee himself/herself decides to resign on the grounds of ill health, marriage, and better job prospects in other organisations.
        - Involuntary or compulsory resignation is when the employer directs the employee to resign on grounds of duty and indiscipline or face the disciplinary action. Here domestic enquiry should be conducted before asking the employee to resign
    3) Retrenchment
        - Permanent termination of an employee's services for economic reasons.
        - It may occur an account of surplus staff, poor demand for products, general economic slowdown etc.
    4) Dismissal / termination
        - This may occur either on account of unsatisfactory performance or misconduct.

- Persistent failure on the part of employee to perform up to the expectations or specified standards is considered as unsatisfactory performance.
- Wilful violation of rules and regulations by the employee is treated as misconduct
- The reasons of termination may be
  a) Indiscipline
  b) Misconduct
  c) Insubordination
  d) Theft etc.
5) Absconding
- One of the most immoral, unpredicted and unprofessional way to terminate the contract of employment
- After stealing the confidential information or documents or database from the company
- If the intentions of an individual is to commit a crime
- If there is work –pressure and stress and the individual is not able to cope-up with it
- If the employees has committed any crime outside the office and after working hours
6) Lay off
- It implies denial of employment to the employees for reasons beyond the control of employer, breakdown of machinery, seasonal fluctuations in demand, shortage of power, raw Materials etc.

TRAINING OF EMPLOYEES

Training concept

- Training is the process of increasing the knowledge and skills for doing a particular job.

Training and education

- The scope of education is wider ,the scope of training is narrow
- Education is confined to theoretical orientation, training is confined to application oriented.
- Education refers to formal instruction in an educational institution, training is imparted at work place.
- Education is person oriented, training is job oriented.
- Education is imparted for a long period, training is for short period.
- Result of education is not so visible and apparent, training gives quick and apparent result.

Training and development

- Training is meant for non-managerial personnel, development is meant for managerial personnel or executives
- The purpose of training is to develop specific and job related skills, the aim of development is to develop the total personality.
- Training is a short term affair, development is a long terms affair
- Training involves technical and mechanical operation, development involves philosophical and theoretical educational concepts.
- Training prepares employees for present jobs needs, development is preparation of employees to meet future needs.

Key areas of training activity

1. Identification of training and development needs
2. Provision of training schemes for groups with common needs
3. Provision of internal training courses
4. Assessment of external training facilities
5. Evaluation of training activities
6. The management of training staff.

Need for training

Training is required on account of the following reasons:

- Newly appointed persons
- Existing experienced employees
- Technological changes
- Environmental changes
- Internal mobility
- Problems related with production

Different approaches to training need assessment

1. Survey
2. Group recommendations
   - Group discussion
   - Questionnaire
3. Task identification
4. HR weaknesses
5. Other sources of information
6. Super visors
7. Self-nominations

OBJECTIVES OF TRAINING

- To enhance the knowledge of the workers
- To impart new skills among employees
- To impart new entrants the basic skill and knowledge to perform a definite task.
- To help employees to function in their existing positions.
- To reduce accidents by providing safety training to employees.
- To develop higher skills among employees
- To improve the overall performance of the organization

Significance and advantages of training

- Increase the efficiency and productivity
- Elimination of wastages
- Less leaning cost and period
- Less supervision
- Higher employee morale
- Reduction in employee grievances
- Reduction in accidents and break downs

- Reduction in labour turnover and absenteeism
- Personnel development
- Better organizational climate
- Future requirements

<u>The training process</u>

1. Assessment of training needs
   - Organizational analysis
   - Operations analysis
   - Man analysis
2. Establish training and development objectives
3. Designing training policy
   It should include:
   - The result expected
   - Type of training needed
   - The time and place of training
   - The training priorities
   - Remuneration to be paid to employees on training
   - The outside agencies to be associated with training
4. Designing training programme
5. Fixing the responsibility of training
6. Selection of trainees
7. Preparation of training
   - Preparation of the trainer
   - Preparation of the trainees
8. Selection of training method
9. Designing the training course
   It includes:
   - Deciding the contents of training
   - Designing the support material for training
   - Preparation of budget for alternative training packages
10. Rules for conducting training
    - Time table
    - Personal attention
    - Work
    - Timing
    - Employment
11. Presentation
12. Examination of the performance
13. Follow up

<u>TYPES OF TRAINING</u>

1. Orientation training

   It is provided to new entrants or employees. Employee should obtain the following Information:

- ➤ History of the organization
- ➤ Products of the company
- ➤ Company's organization structure
- ➤ Personnel policies and programmes
- ➤ Employees activities
- ➤ Rules and regulations
- ➤ Sanding orders
- ➤ Grievance procedure
- ➤ Safety measures

2. Job training
   - ➤ It is provided to increase the knowledge and skills of employees for improving the performance of the job.
3. Craft training
   - ➤ Training is given to employees in the different crafts by an experienced crafts man.
4. Promotional training
   - ➤ Training is provided to existing employees to enable them to occupy higher posts.
5. Safety training
   - ➤ It is provided to minimise accidents and damage to machinery.
6. Refresher training
   - ➤ Designed to revive and refresh knowledge and to update the skills of existing employees.
7. Remedial training
   - ➤ It is arranged to overcome the shortcoming in the behaviour and Performance of employees.

Methods of training

1. On the job training
   - ➤ Training given to the employees by immediate supervisor at the working place itself. The important methods includes are:
     - Coaching
     - Under study
     - Job or position rotation
2. Off the job training
   - ➤ Training is conducted by the organization within the premises or by external agencies. The important methods are:
     - Special courses
     - Conferences
     - Case studies
     - Seminars
     - Role playing
     - Sensitivity training
     - Lectures
     - Audio visuals
     - Simulations
     - Laboratory training

3. Vestibule training
   - It is adopted when large number of persons are to be trained within a short span of time.
4. Apprentice training
   - Selected candidates work under experienced workers who give guidance and help while doing the job.
5. Class room training
   - Training is provided in organization's class room or in educational institutions.
6. Learner raining
   - Semi-skilled workers are given education in vocational schools and then allowed to learn operation of machines.
7. Internship training
   - It is a joint programme of training conducted by educational institutions and business firms.
8. Computer Based Training(CBT)
   - Computers can be used to provide training to employees.
9. E- Learning/ Training on Line
   - Internet is used to training online.

TRAINING ENVIRONMENT

- Facilities and materials
  Essential materials and facilities would include:
  - Training manuals and training aids
  - Materials for group exercises and revision assignments
  - Sufficient materials and equipment for participative use during training session
  - Spare staff procedure manuals and work books
  - Writing materials
  - Equipment on which training aids depend
  - Name tags for all participants
  - Access to food and drinks
- Set-up of training venue
- Room arrangements
  It should consider the attributes such as:
  - Size
  - Location
  - Convenience
  - Distractions
  - Seating
  - Lighting
  - Furniture etc.
- Group organization
- Encouraging participation
- Use of training aids.

AREAS OF TRAINING

- Management should decide areas where the training is given to employees.

> ➢ New production techniques, marketing of goods and services, inventory management, human resources management, innovative methods of planning and finance, etc. are some of the areas where training is to be imparted.

TRAINING EVALUATION

The training evaluation helps:

- ➢ Immediate assessment of trainee's reaction to the programme.
- ➢ To know the trainees observation during training.
- ➢ Evaluation of trainee's skills level
- ➢ Measurement of trainee's attitude after training.
- ➢ Cost-Benefit analysis of the training programme.
- ➢ Measurement of improvement in trainees on the job behaviour etc..

Levels of evaluation criteria

- Reaction
- Learning
- Behaviour
- Results

Cost-Benefit analysis

1. Distinctive costs
   - Trainer's salary and time.
   - Trainee's salary and time.
   - Materials required for training.
   - Expenses for trainer and trainees.
   - Cost of facilities and equipment.
   - Lost opportunity cost
2. Distinctive benefits
   - Increase in production.
   - Reduction in errors and accidents.
   - Less supervision is necessary.
   - Ability to use new capabilities.
   - Change in attitude.

Benchmarking training

- Some organizations use benchmark measures of training for comparing one organization with another.

METHODS OF TRAINING EVALUATION

1. Interview
2. Questionnaire
3. Attitude survey
4. Tests
5. Observation
6. Performance records

<u>Advantages of training evaluation</u>

- Ensures accountability
- Check the cost
- Feedback to the trainer/ training
- Other benefits such as:
    - Help the company to improve training for future participants.
    - Help to prove that the training is add value.
    - Improve the quality of training activities.
    - Improve the ability of trainers etc.

<u>Difference between recruitment and selection</u>

Recruitment	Selection
o It is the method of personnel placement.	o It is the procedure for personnel placement
o It is the process of inviting application from probable candidates.	o It is the process of elimination.
o It is the process of searching for prospective employees and stimulating them to apply for jobs.	o It is to create a contractual relationship between employer and employee.
o The purpose is to create a large pool of applicants.	o It aims at elimination of unsuitable candidates.
o Process is simple.	o Process is complex.

MODULE 4

PERFORMANCE APPRAISAL AND

CAREER PLANNING IN AN ORGANIZATION

Performance appraisal

According to **Edwin B Flippo**, "**Performance appraisal** is a systematic, periodic and so far as humanly possible, an impartial rating of an **employee's** excellence in matters pertaining to his present job and to his potentialities for a better job.

Features/ characteristics of Performance appraisal
1. It is a continuous process.
2. It is a systematic examination of an employees' strength and weakness in terms of job.
3. It is a scientific study.
4. It is arranged periodically according to a definite plan.
5. It helps in securing information necessary for making objective and correct decision on Employees.
6. It is an impartial rating of an employee excellence.

Objectives of the performance appraisal

1. To improve the job performance of employees and also to identify their development Potentialities.
2. To diagnose the strength or weakness of individuals so as to access the area in which training Is required.
3. To prevent grievance and in disciplinary activities of the personnel.
4. To evaluate the success of training programs
5. To motivate the employee to perform well.
6. To provide coaching, counseling and career planning to employees.
7. To test the effectiveness of recruitment, selection, placement and rotation process.
8. To facilitate research in personnel management.
9. To establish harmonious relationship between employer and employees.
10. To provide valid information for deciding promotion, transfer, placement, punishment, etc.

Process of performance appraisal
1. Determining objectives
2. Establishing Performance standard or criteria
3. Communicating standards
4. Measuring performance
5. Comparing the actual performance with standards
6. Discussion
7. Corrective action

Methods of Performance appraisal
1. Traditional method
   □ Ranking method

- Superior ranks his worker based on merit, from best to worst. However how best and why best are not elaborated in this method. It is easy to administer and explanation.

☐ Paired comparison method
- In this method each employee is rated with another employee in the form of pairs. The number of comparisons may be calculated with the help of a formula as under.
  $$N \times (N-1) / 2$$

☐ Grading system
- Under this method certain categories of abilities like excellent, very good, average, poor, very poor, outstanding, satisfactory, etc. Are defined in advance. The actual performance is compared with these categories.

☐ Graphic rating scales
- Rating scales consists of several numerical scales representing job related performance criterions such as dependability, initiative, output, attendance, attitude etc. Each scales ranges from excellent to poor. The total numerical scores are computed and final conclusions are derived. Advantages – Adaptability, easy to use, low cost, every type of job can be evaluated, large number of employees covered, no formal training required. Disadvantages – Rater's biases

☐ Check list
- Under this method, checklist of statements of traits of employee in the form of Yes or No based questions is prepared. Here the rater only does the reporting or checking and HR department does the actual evaluation. Advantages – economy, ease of administration, limited training required, standardization. Disadvantages – Raters biases, use of improper weighs by HR, does not allow rater to give relative ratings

☐ Forced distribution
- The series of statements arranged in the blocks of two or more are given and the rater indicates which statement is true or false. The rater is forced to make a choice. HR department does actual assessment. Advantages – Absence of personal biases because of forced choice. Disadvantages – Statements may be wrongly framed.

☐ Critical incident methods
- The approach is focused on certain critical behaviors of employee that makes all the difference in the performance. Supervisors as and when they occur record such incidents. Advantages – Evaluations are based on actual job behaviors, ratings are supported by descriptions, feedback is easy, reduces recency biases, chances of subordinate improvement are high.
  Disadvantages – Negative incidents can be prioritized, forgetting incidents, overly close supervision; feedback may be too much and may appear to be punishment.

☐ Field review
- This is an appraisal done by someone outside employees' own department usually from corporate or HR department. Advantages – Useful for managerial level promotions, when comparable information is needed, Disadvantages – Outsider is generally not familiar with employees work environment, Observation of actual behaviors not possible.

☐ Confidential report
- Mostly used by government departments, however its application in industry is not ruled out. Here the report is given in the form of Annual Confidentiality Report (ACR) and may record ratings with respect to following items; attendance, self-expression, team

work, leadership, initiative, technical ability, reasoning ability, originality and resourcefulness etc. The system is highly secretive and confidential. Feedback to the assesse is given only in case of an adverse entry. Disadvantage is that it is highly subjective and ratings can be manipulated because the evaluations are linked to HR actions like promotions etc.

☐ Free essay method

In this method the rater writes down the employee description in detail within a number of broad categories like, overall impression of performance, promote ability of employee, existing capabilities and qualifications of performing jobs, strengths and weaknesses and training needs of the employee. Advantage – It is extremely useful in filing information gaps about the employees that often occur in a better-structured checklist. Disadvantages – It its highly dependent upon the writing skills of rater and most of them are not good writers. They may get confused success depends on the memory power of raters.

☐ Group appraisal
- Under this method a group of raters evaluate the performance of employees. They determines standard performance of the job and measure the performance. They find deviations and offer suggestions for improvement. Personnel biases are minimized in this type of appraisal.

☐ Comparative evaluation
- Or (Ranking & Paired Comparisons): These are collection of different methods that compare performance with that of other co-workers. The usual techniques used may be ranking methods and paired comparison method.

2. Modern method

☐ Assessment Centre
- An assessment center is a central location where managers may come together to have their participation in job related exercises evaluated by trained observers. Assessees are requested to participate in in-basket exercises, work groups, computer simulations, role playing and other similar activities which require same attributes for successful performance in actual job.

☐ Human resource accounting
- It considers human resources as a valuable asset of an organization. The performance is judged in terms of cost and contribution of employees.

☐ Behaviorally anchored rating scales
- Statements of effective and ineffective behaviors determine the points. They are said to be behaviorally anchored. The rater is supposed to say, which behavior describes the employee performance. Advantages – helps overcome rating errors.
  Disadvantages – Suffers from distortions inherent in most rating techniques.

☐ Appraisal by MBO
- It means management by objectives and the performance is rated against the achievement of objectives stated by the management. MBO process goes as under.
  ☐ Establish goals and desired outcomes for each subordinate
  ☐ Setting performance standards
  ☐ Comparison of actual goals with goals attained by the employee
  ☐ Establish new goals and new strategies for goals not achieved in previous year.
  ☐ Psychological appraisal

☐ Psychological Appraisal
- It is done in the form of in-depth interviews, psychological tests, and discussion with supervisors and review of other evaluations. It is more focused on employees emotional, intellectual, and motivational and other personal characteristics affecting his performance.

Need and importance of performance appraisal

1. Development and training needs of employees.
2. Helps to improve performance
3. Helps to take personnel decisions
4. Useful to rectify the effectiveness of recruitment, selection etc.
5. Creation of competitive spirit
6. Helps to develop confidence among employees.
7. Aids to personnel research
8. Identify strength and weakness
9. Systematic evaluation
10. Inspiration
11. Feed back

Essential requirements of performance appraisal

- Confidence and mutual trust
- Definite objectives
- Well defined performance standards
- Training
- Job related behavior
- Documentation
- Feedback and participation
- Size of organization
- Post appraisal review
- Review and appraisal

Types of appraisal

- Formal appraisal
- Informal appraisal
- Appraisal by subordinates
- Individual appraisal
- Group appraisal
- Initial appraisal
- Promotional appraisal or potential appraisal

Limitation of Performance appraisal

- Inconsistent ratings
- Halo effect
- Personal bias or appraiser
- Leniency or strictness
- Average Rating
- No definite standards
- Lack of reliability

- Incompetence
- Trade union resistance
- Similarity error

Problems of Performance appraisal
1. Faulty assumptions
2. Psychological barriers
3. Technical difficulties
   - Criterion problem
   - Distortion
     - The halo effect
     - Central tendency
     - Continuous errors
     - Horn effect
     - Leniency
     - Errors of variable standards
     - Stereotyping
     - Recency effect
     - Raters liking and disliking
4. Other difficulties
   - Poorly trained managers
   - Poor appraisal forms
   - Lack of rater preparedness
   - Ineffective organizational policies and practices

CAREER DEVELOPMENT AND PLANNING

CONCEPT OF CAREER PLANNING

Career planning is the process by which one selects career goals and the path to these goals. The Major focus of career planning is on assisting the employees achieve a better match between personal goals and the opportunities that are realistically available in the organization.

Features of career planning
- It is a process of developing human resources
- It is a means of managing people to obtain optimum results.
- It is continuous process
- It is an individual's responsibility
- The aim is to integrate the organizational needs and individual needs.
- It is an important part of human resource planning

Career planning process

- Organization's career planning process
  1. Assessment of employees
  2. Analyzing career options

3. Feedback meeting with employees
4. Formulating and implementing strategies.
5. Measuring and monitoring progress and success

- <u>Individual's career planning process or method</u>
    1. Get to know yourself through self-assessment
    2. Explore careers to gather information about companies
    3. Take action to develop a career plan

<u>Criteria in developing career planning</u>

- Dialogue
- Guidance
- Involvement
- Feedback

<u>Benefits or uses of career planning</u>

- Helps employees to know various career opportunities.
- Employees are confident and skilled at managing their careers
- Helps the organization to retain their best talented employees.
- Helps employees to select right career.
- Whole productivity of the organization increases.
- Helps the organization to attract best employees.
- Helps to create sense of belongingness in the minds of employees
- It helps to achieve job satisfaction.
- It leads to optimal personal development.

<u>Limitations of career planning</u>

- Not an effective method of improving the career of large number of ordinary workers
- Systematic career planning is not possible in many organizations due to political and trade union influence.
- Many organizations run by big business families are not much interested in career development of their employees.
- Career planning is not effective in small organizations where the opportunities for further development of employees are less.

<u>CAREER DEVELOPMENT</u>

Career Development is defined as the efforts that are made by the organization to equip its employees with the skills, knowledge & experience that help them to perform the duties of their current as well as future jobs effectively. It can be get through the following ways or

Career Development Methods:

- Identifiable career paths
- On-the-job training
- Cross training
- Mentoring
- Networking events
- Structured in-house development programs
- External seminars

Objectives of career development
- Self- Awareness
- Flexibility
- Education
- Sensitivity to diversity

Steps in career development
1. Self- assessment
2. Career planning
3. Job search resources

Importance of Career Development
- Career enhancement
- Education
- Identification
- Significance
- Potential
- Time frame
- Networking

MODULE 5

COMPENSATION MANAGEMENT

Employee's compensation

- According to Wendell French " compensation is a comprehensive term which includes wages, salary, all other allowances and benefits"
- It refers to wide range of monetary and non-monetary rewards to employees for their services rendered to the organization

Components of employment remuneration

➢ Base or primary compensation
  - Refers to basic pay in the form of wages
  - It is a fixed and non-incentive payment on the basis of time spent on the job
  - Wages are the payment made to the employees as a compensation for the services rendered by them in the organization
  - Basic salary is the amount paid to employees before any reductions or increase due to overtime or bonus, allowances
➢ Supplementary compensation
  - It is addition to base compensation
  - It involves dearness allowances, bonus, "fringe benefits" etc.

Compensation management

- Wages or salary administration refers to the administration of employee compensation or simply compensation management
- It consists of formulation and implementation of policies and programmes related to wages, salary, and other forms of employee's compensation
- It helps the organisation to obtain, maintain and retain a productive workforce
- It includes; job evaluation
- Wages or salary survey
- Devt and maintenance of wage structure, rules for administration of wages, profit sharing, and other incentives
- Control of pay roll costs

Compensation planning

- Like all organizational activity, the compensation programmes needs to be well thought out, organized, planned, evaluated and controlled in order to insure that the desired effects are achieved
- These activities lead forward accomplishing the organization's goals
- This planning process covers how much of the organization's resources will go into wages and details the wage rate for each employee
➢ Objectives
  - To attract and retain the best possible work force considering the resources of the organization
  - To motivate this workforce to achieve a high level of performance
  - To keep labour costs within the capabilities of the organization

- ➢ Levels of planning
  - Wage level decision :- determine the organizations competitiveness in the labour market
  - Salary or wage planning:- it is a process by which the organization examines the labour market and compares the results of that examination with the current pay offered within the organization
  - Planning premises:- the wage or salary planner must have some estimate of the interaction between the organizations actions and the current employment environment
  - Wage survey data:- it is the vehicle for relating the organization's wages to those for similar jobs in other organizations
  - Information about organization:- information about jobs is usually contained in job description
  - Knowledge of the market:- organization need wages information about the labour market to make decisions about their wage level and structure
  - Competitive analysis:- the competitive analysis provides information about average increase of wages of other organizations

Objectives of compensation planning or management
  - To attract competent employees
  - To retain the services of the desirable employees
  - To establish just and equitable remuneration
  - To improve productivity
  - Helps to control cost
  - To maintain good relationship
  - New and desired behaviour
  - Creation of public image
  - Comply with legal rules
  - Lower cost of production
  - To guarantee minimum wages
  - Ease of operation

Essential features of a good compensation management
1. Internal equity
2. External equity
3. Maintain real wages
4. Flexibility
5. Link with productivity
6. Motivation
7. Stability
8. Result oriented
9. Simplicity

Wage system

Wages are fixed as per the time spent by the worker in the factory as per the number of units produced by him

- ➢ Factors influencing wage system
  1. Ability to pay
  2. Demand and supply
  3. Cost of living

4. Wage paid by other firm
5. Labour productivity
6. Bargaining power
7. Govt. Policy
8. Job requirements

➢ Methods of wage system
1. Time wage system
2. Piece wage system
3. Incentive wage system

➢ The process of wage determination
1. Job evaluation
2. Job analysis
3. Wage survey
4. Pricing job structure
5. Developing wage structure
6. Method of wage payment
7. Wage administration
8. Evaluation of wage and salary administration

➢ Need for sound wage policy
1. It should be linked with productivity
2. It should be related with the job requirements
3. Lower cost of production
4. Incentive system
5. Minimum wages
6. Efficiency
7. Difference in wages
8. Flexibility
9. Good relation with trade unions
10. Reduce labour turnover
11. To attract good and efficient employees
12. Cost of living

Supplementary compensation

- It consist of incentive payments or payment by result
- It consists of incentive and variable payment based on either individual output or output of the group as a whole

➢ Incentive wages
- Incentive compensation is called payment by results
- It refers to performance linked compensation
- It is given to improve motivation and productivity among employees
- Incentive plans provide incentive to workers to produce more and are paid bonus or premium for additional work. This is called incentive wages
- Under this system workers guaranteed minimum wages for time spent plus extra wages for better performance

➢ Importance or advantages of incentive schemes
- Increase the total wage of workers as he gets premium or bonus besides prescribed wages

- Provide an opportunity for hardworking and ambitious workers to earn more
- Production increases rapidly
- It motivate workers to work more
- Helps to improve discipline and industrial relations with in the organization
- Helps to create team spirit
- Helps to improve productivity
- Promote mutual co-operation among workers and management

➢ Limitation of incentive schemes
- Possibility of reducing quality of products
- Will increase the danger of accidents
- Jealously and conflicts may arise among employees
- Workers may oppose introduction of new machines, methods etc.
- Will increase labour cost
- Setting piece or bonus rates in incentive scheme is a difficult task

➢ Prerequisites of sound incentive plan or schemes
- Proper climate
- Co-operation of workers
- Workers participation
- Scientific standards
- Simplicity
- Equitable
- Flexible
- Less costly
- Wide coverage
- Careful planning
- Guarantee minimum wages
- Sufficient amount of incentives
- Ceiling on earnings
- Grievance settlement
- Timely payment
- Review rates
- Follow up

➢ Types of incentive schemes
1. Individual incentive schemes
   a. Time based
      i. Halsey
      ii. Rowan plan
      iii. Emerson plan
      iv. Bedeauxe plan
   b. Production based
      i. Taylor's differential piece rate system
      ii. Gantt's task system
      iii. Merrick's multiple piece rate system
2. Group incentive schemes

    a. Priestman plan
    b. Sealon plan
    c. Co-partnership
    d. Profit sharing
        i. Current profit sharing
        ii. Deferred profit sharing

Fringe benefits

- These are given in addition to regular wages or salaries
- These are given to workers to stimulate them to work hard
- The monetary value of the benefit can be ascertained
- It helps to increase standard of living
- The amount of benefits not generally pre-determined

➢ Types
- Retirement benefits
- Quarters, subsidized lunch, transport etc.
- Health and safety benefits
- Payment for sick leave, maternity leave, vacation pay etc.
- Educational and recreational facilities
- Interest free loans

Perquisites

Any casual emoluments, fee and profit, attached to an office or position in addition to salary or wages

GRIEVANCE REDERRSAL

- It means a claim by an eligible employee that the employee's personal employment has been affected by unfavourable employment decisions or conditions due to unfair treatment
- According to Dale S beach "grievance is any dissatisfaction or feeling of injustice in connection with one's employment situation that is brought to the attention of management"
- It is any complaint from individual workers or groups of workers alleging a violation of the terms of a workplace agreement
- It is a disagreement between an employee and management on the terms or conditions of employment.

➢ Causes of grievances
- Arising out of working conditions
- Arising from management policy
- Arising from violation
- Arising out of personal maladjustments.

➢ Grievance redressal
- Employees should aim to settle most grievances informally with their line manager.
- This has advantages for all workplaces, particularly where there might be a close personal relationship between a manager and an employee
- It also allows for problems t be settled quickly

- ➢ Grievance redressal procedure
  - Employees gives written statement of grievance
  - Meeting is held and employer informs employee of the outcome
  - Appeal if necessary
- ➢ Features of a good grievance procedure
  - A written grievance procedure known to employees, can be very helpful in creating a positive atmosphere
  - It will assure best possible solution to the problem
  - Complaints must be fully described by the person with the grievance
  - The person should be given the full details of the allegation against them
  - Proceedings should be conducted honestly, fairly and without bias
  - Proceedings should not be unduly delayed
- ➢ Role of HR manager in grievance handling
  - The existence of grievance procedure doesn't remove a manager's or supervisors obligation
  - Parties are encouraged to resolve grievances at their sources
  - The principles of natural justice and procedural fairness apply to the resolution of grievances
  - Confidentiality will be respected at all times
  - Staff, raising a grievance is responsible for participating in the process in good fait
  - A staff member who raising a grievance in good faith will be protected from detrimental action
- ➢ Essentials of a good grievance procedure
  - Procedural fairness
  - Substantive fairness
  - Confidentiality
  - Timeliness
  - Record keeping
  - Transparency
  - Openness, honesty and fair dealing
- ➢ Rights and responsibilities
  Rights of grievant
  - Have their grievance treated seriously
  - Have the matter dealt with promptly
  - Seek advice, support and representation from their union or other support persons
  - Raise concerns with an appropriate staff member and receive advice in confidence
  - Give consent before their complaint is referred to another person or unit
  - Be accompanied by another person on any occasion when the complaint is being discussed
  - Withdraw their complaint and not proceed

- ➢ Responsibility of grievant

  - Disclose their identity if they wish action to be taken
  - Put their grievance in writing if it is of a serious nature
  - Participate in the grievance resolution process in good faith
  - Assist the grievance handler in reaching a satisfactory resolution wherever possible
  - Discuss the grievance only with those directly involved in resolving it
  - Avoid complaining about the same matter to several different people at same time

- Avoid making malicious complaints
- Recognise the person complained about also has rights to procedural fairness
➢ Grievance handling by HR manager
  - Ensure that he I familiar with the procedure and apply it correctly
  - Hold any grievance hearing in private without interruptions
  - Listen carefully to the person's explanation of the problem
  - Listen to any conflicting points of view
  - Weight up all the evidence to see whether there is an issue to address
  - Inform all concerned parties of your decision and the appeal process
  - Keep process as confidential as possible
➢ Appeals against disciplinary / grievance decision
  - In disciplinary and grievance procedures, there should be provisions for appeal
  - A written decision to a worker should note their right to appeal
  - Any written disciplinary or grievance decision to a worker should note their right to appeal
  - The procedure are; specify the limits for lodging and hearing the appeal
  - Provide for an uninvolved manager to hear the appeal
  - State rights to be accompanied by a colleague or trade union official

Absenteeism

- It is a condition that arises when an employee fails to come to work when he is scheduled to work
- It is an authorised absence of the worker from his job or the absence of worker when work id available
- It is the chronic or continued failure of employees to attend for duty
- It is referred to as failure of employees to report for work when they are schedule to work
- Employees who are away from work on recognized holidays, vacations, approved leaves of absence or leaves of absence allowed for under the collective agreement provisions would not be treated as absenteeism
➢ Discipline
  - It is a condition in the organisation where employee conducts themselves in accordance with the organisation's rules and standards of acceptable behaviour
  - According to Richard D Calhoon "discipline may be considered as the force that prompts individuals or groups to observe rules, regulations, standards and procedures deemed necessary for an organisation"
➢ Approaches to discipline
  - Discipline refers to the actions imposed by an organization on its employees for failure to follow the organization's rules, standards or policies
  - Traditional approach to discipline, based on punishment are known to promote adversarial relationship between leaders and followers
  - Approaches are
    a) Traditional approach
    b) B) positive approach
    c) Judicial approach
    d) Human relations approach
    e) Human resource approach

f) Group discipline approach
g) Leadership approach

- ➤ Causes of discipline
- ➤ Code of discipline
    - It helps workforce to understand what the management except of them
    - It helps to contain and resolve issues
    - It helps to avoid potential employment tribunal complaints
- ➤ Need for code of discipline
    - Rules are necessary because they set standards
    - Rules will normally cover issues such as absence, timekeeping and holiday arrangements etc.
    - Rules and procedures should be clear, and should preferably be put in writing
    - All employees should have ready access to a copy of the rules and disciplinary procedures
    - Mgt should aim to secure the involvement of employees and any recognised trade union
    - Rules should be reviewed from time to time and revised if necessary
    - Mgt should ensure that those responsible for operating disciplinary rules understand them and receive appropriate training.
- ➤ Code of discipline in industries
    - The code of discipline was evolved at the indian labour conference in 1958
    - The code recommends employers and workers to utilise the existing machinery for the settlement of disputes
    - Under the code of implementing organisations assist in settling the disputes pertaining to central or state affairs
    - The code lays down specific obligations for the management and the workers with the object of promoting constructive cooperation between their representatives at all levels
    - The code provides that a regular grievance procedure be laid down in all undertakings and complaints should receive prompt attention
    - Under the code, mgt and workers have agreed to avoid litigation, lock outs, sit down and stay in strikes
    - There will be no resource to intimidation, victimisation or go slow
    - The unions have also agreed not to engage in any physical force and to discourage unfair practices

Essentials of a good disciplinary system

- Proper knowledge of rules
- Quick action
- Fair action
- Well defined procedure
- Constructive approach
- Review
- ➤ The disciplinary procedure
    - Informal or warning
    - Formal oral warning
    - Written warning
    - Final written warning

Punishment

- Punishment should be given to nature of offence
- Minor punishments
  i. Oral reprimand
  ii. Written reprimand
  iii. Loss of privileges
  iv. Fines
- Major punishments
  i. Withholding increments
  ii. Suspension
  iii. Demotion
  iv. Discharge
  v. Dismissal

➢ Standard disciplinary procedure
  - Complaint in writing
  - Meeting with the employee
  - Appeal

➢ Types of disciplinary action
  - Drop the matter
  - Provide counselling
  - Take disciplinary action

➢ Disciplinary actions
  - Transferring the worker to another job
  - Demotion
  - Non-payment bonus

➢ Factors to consider before deciding any disciplinary actions
  - Whether the rules of the organisation indicate what the likely penalty will be
  - The penalty imposed in the similar cases in the past
  - The employee's disciplinary record, general work record, work experience position and length of service
  - Any special circumstance which might make it appropriate to adjust the severity of the penalty
  - Whether the proposed penalty is reasonable in view of all circumstance

Hot stove rule

- It can be defined as the concept that disciplinary action should have the same characteristics as the penalty a person receives from touching a hot stove
- The discipline should be immediate , consistent, and impersonal
- Before any action the manager must give advanced warning, employees must be informed clearly that certain actions will result in disciplinary actions
- This rule provides four discipline basics;
  1. The stove provides a warning
  2. The stove is consistent
  3. The stove burns immediately
  4. The stove is impersonal

- ➢ Significance of hot stove rule
  - There is immediate action taken for a negative or wrong decision made by the employee
  - This enables the employee to associate the discipline with the offence rather than with dispenser of the discipline
  - It merely establish standard for doing works
  - When the manager immediately acted upon the violation, it is vital to keep this method consistent
  - Appropriate disciplinary action should be taken each time the violation occurs
  - Managers should be consistent with their discipline and take the same action each time an infringement occurs
  - The last guideline that flows from the hot stove rule is to keep the discipline impersonal
  - The penalty for violation should not be to the person who did the wrong, but to the wrong itself
  - Manager should always try to keep the partnership going in the workplace and for no reason should an employee be degraded and left feeling useless and incompetent
  - The discipline should be connected with a given violation, not with the personality of the violator
- ➢ Preventive action
  - The creation of an environment where disciplinary action is rarely needed
  - Accept the challenge
  - Discipline the behaviour not the person
  - Develop a positive attitude
  - Know the law
  - Put rules in place
  - Train supervisors
  - Hire the right people
  - Make rules an important part of employee orientation

Labour participation in mgt

- It refers participation of non-managerial employees in the decision making process
- It implies mental and emotional involvement of workers in the mgt of an organisation
- It is a system of communication and consultation, either formal or informal, by which employees of an organisation are kept informed about the affairs of the undertaking and through which they express their opinion and contribute to mgt decisions
- It provides scope for employees in decision making of the organization
- The participation may be at the top level, departmental level or at the top level
- The participation includes the willingness to share the responsibility of the organization by the workers
- ➢ Features of workers participation in mgt
  - Information participation
  - Consultative importance
  - Associative participation
  - Administrative participation
  - Decisive participation

- Objectives of workers participation in mgt
  - To establish industrial democracy
  - To increase productivity of the organisation which is beneficial to the employees and community
  - To build the most dynamic human resources
  - To satisfy the workers social and esteems
  - To strengthen labour mgt co-operation and thus maintain industrial peace and harmony
  - Its psychological objective is to secure full recognition of the workers
  - To develop human personality
  - To develop leaders within the industry
- Importance of workers participation in mgt
  - Reduction of industrial unrest
  - Mutual understanding
  - Higher productivity
  - Peace and harmony between workers and mgt
  - Overall growth
  - Enhances the responsibility
  - Enhances initiation
  - Industrial democracy
  - Less resistance to change
- Essential condition for workers participation in mgt
  - Enlighten and impartial attitude
  - Understand the objectives
  - Genuine faith in the system
  - Cooperation
  - Real participation
  - Complementary body
  - Strong trade union
  - Peaceful atmosphere
- Methods of workers participation mgt
  - Participation at the board level
  - Participation through ownership
  - Participation through complete control
  - Participation through staff and works councils
  - Joint councils
  - Work committee
  - Participation through collective bargaining
  - Participation through job enlargement and job enrichment
  - Participation through suggestion schemes
  - Participation through quality circles
  - Empowered teams
  - Total quality mg

THE END